

FISCAL NOTE

SB 2124 - HB 2737

February 28, 2000

SUMMARY OF BILL: Amends the retirement law by allowing any retired member of TCRS, or of a local teacher retirement fund, to return to public service as a teacher and receive publicly funded compensation for an indefinite period of time while also receiving a public retirement benefit.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$7,704,000 Annual Amortized Cost
\$108,000 Division of Retirement**

Increase Local Govt. Expenditures* - \$5,136,000 Annual Amortized Cost

Estimate assumes:

- total lump sum liability of \$128,000,000
- 20-year amortization of the lump sum liability
- K-12 teacher ratio of 60%-40% between state and local funding
- administration costs of \$108,000 for three positions and related costs in the Division of Retirement

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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